

Department of Energy

Western Area Power Administration Rocky Mountain Customer Service Region P.O. Box 3700 Loveland, CO 80539-3003

AUG 1 1 2014

Dear Firm Electric Service Customer and Other Interested Parties:

This letter provides notice of publication in the *Federal Register* of the Western Area Power Administration's (Western) Proposed Rates for the Loveland Area Projects firm electric service on August 8, 2014. This publication begins the formal 30-day comment period which will end on September 8, 2014. Western is enclosing a copy of the published *Federal Register* notice, which is also available on our Web site at

http://www.wapa.gov/rm/ratesRM/2015/2015RateAdjustment--FRNs.html.

The current rate schedule for firm electric service, Rate Schedule L-F9, expires December 31, 2014. The proposed rate schedule is scheduled to become effective on an interim basis on the first day of the January 2015 billing period and be effective for another 5-year period. Western is not proposing a change to the overall rates. Western is proposing modifications to the charge components in order to true up the base and drought adder charges, which requires a minor rate adjustment process. This letter also serves as advance notification of changes to the Drought Adder component of the rate, as required under the current annual review process.

Western will finalize the proposed rates after public comments are reviewed and considered. Western welcomes your participation in the rate adjustment process and will provide additional information on the process as it becomes available.

Sincerely,

David Neumayer

Power Marketing Manager

Enclosure